



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

copy

MAR 22 2007

**CERTIFIED MAIL 7001 0320 0006 0198 5385**  
**RETURN RECEIPT REQUESTED**

REPLY TO THE ATTENTION OF:

WU-16J

Jonathan C. Cherry, P.E.  
Manager Environment & Governmental Affairs  
Kennecott Eagle Minerals Company  
1004 Harbor Hill Drive, Suite 103  
Marquette, Michigan 49855

Re: Call-In Notification for Kennecott Eagle Minerals Company's  
Proposed Class V Industrial Process Waste Water Well; Eagle Project;  
Marquette County, Michigan

Dear Mr. Cherry:

Thank you for providing the required Underground Injection Control (UIC) inventory information for your company's proposed Class V Industrial Process Waste Water Well. The U.S. Environmental Protection Agency (U.S. EPA) has reviewed this information, as well as information we obtained from the State for the proposed State permits, and has determined that Kennecott Eagle Minerals Company (Kennecott) will be required to obtain a UIC permit before it may begin construction of its proposed Industrial Process Waste Water Class V well.

This decision conforms to my letter of January 31, 2007, in which I renewed my request for UIC inventory information (first requested by U.S. EPA in a letter to you from Rebecca Harvey of my staff, to you, of March 31, 2006), and informed you that Kennecott would need a permit for its proposed Class V injection well based on our review of the State materials for this project. My January 31, 2007, letter to you was not a request for an individual permit that was intended to meet the formal notice requirements for an individual permit "call-in" under the UIC regulations. Today's letter is intended to meet the formal notice requirements. Kennecott has proposed three potential Class V wells, and the current decision is related only to the high capacity Industrial Process Wastewater Well.

The Underground Injection Control (UIC) program was established under the authority of Part C of the Safe Drinking Water Act (SDWA) (42 U.S.C. 300f *et seq.*) with the objective of protecting the Nation's underground sources of drinking water (USDWs). Pursuant to the UIC program, established in accordance with Sections 1421 and 1422 of the SDWA, 42 U.S.C. Sections 300h and 300h-1, U.S. EPA promulgated regulations in 40 C.F.R. Sections 124, 144, 146, 147, and 148, to prevent underground injection which endangers drinking water sources. Pursuant to 40 C.F.R. § 144.11, any underground injection, except as authorized by rule or by permit issued under the UIC program, is

prohibited. In addition, the construction of any well required to have a permit is prohibited until the permit has been issued.

The individual permit for the Industrial Process Waste Water Well is being required pursuant to 40 C.F.R. Sections 144.12 and 144.25, under which the Director may require the owner or operator of an injection well to apply for a permit in order to protect USDWs. Based on the significant volume and the industrial nature of Kennecott's proposed injection well at issue, we have determined that in order to protect the USDW, and ultimately human health and the environment, additional conditions are necessary. These conditions include: injectate and ground water monitoring; providing notification of upset conditions; notification of any malfunction of the subsurface distribution system that may cause endangerment to the USDW; and requiring financial assurance for the actual costs of plugging and abandoning the well.

You are therefore hereby required to submit a complete permit application for the proposed Industrial Process Waste Water Well, and to obtain financial assurance under the permit, before you may begin construction. Your complete permit application must be received within sixty days from your receipt of this letter. We have enclosed a permit application form and the associated attachments. Additional information can be found on the U.S. EPA Region 5 UIC website at [www.epa.gov/region5/water/uic](http://www.epa.gov/region5/water/uic).

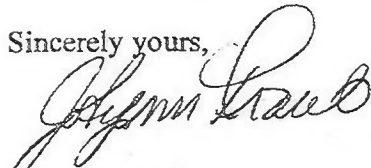
Pursuant to 40 C.F.R. § 144.31(a), the construction of any well required to have a permit is prohibited until the permit has been issued. Additionally, you should be aware that the SDWA provides for administrative orders, civil penalties for each day of violation, criminal penalties of up to three years imprisonment, and fines in accordance with Title 18 of the United States Code, should you fail to submit a complete permit application by the required date and begin construction activity.

Please send your completed application form to:

Rebecca L. Harvey (WU-16J)  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, Illinois 60604-3590

Please feel free to contact Steve Roy of my staff at (312) 886-6556, who will be happy to work with you regarding the permit application.

Sincerely yours,



Lynn Traub  
Director, Water Division

Enclosures

cc: Hal Fitch, Michigan Department of Environmental Quality  
Todd Warner, KBIC Natural Resources Department